

House File 1 - Introduced

HOUSE FILE 1

BY COWNIE

A BILL FOR

1 An Act requiring the budget submissions of state agencies to
2 utilize a zero-base approach.

3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 8.23, subsection 1, paragraph a, Code
2 2015, is amended to read as follows:

3 a. The estimates of expenditure requirements shall be
4 ~~based upon seventy-five percent of the funding provided for~~
5 ~~the current fiscal year accounted for by program reduced by~~
6 ~~the historical employee vacancy factor in form specified~~
7 ~~by the director and the remainder of the estimate of~~
8 ~~expenditure requirements prioritized by program~~ utilize a
9 zero-base approach of providing sufficient supporting data and
10 explanations to justify each expenditure as though it were a
11 new expenditure. The estimates shall include a prioritization
12 of each expenditure in relation to the other expenditures
13 transmitted. The estimates shall be accompanied with by
14 performance measures for evaluating the effectiveness of the
15 program.

16 Sec. 2. Section 602.1301, subsection 2, paragraph a,
17 unnumbered paragraph 1, Code 2015, is amended to read as
18 follows:

19 As early as possible, but not later than December 1, the
20 supreme court shall submit to the legislative services agency
21 the annual budget request and detailed supporting information
22 for the judicial branch. The submission shall be designed
23 to assist the legislative services agency in its preparation
24 for legislative consideration of the budget request. The
25 information submitted shall contain and be arranged in a
26 format substantially similar to the format specified by
27 the director of management and used by all departments and
28 establishments in transmitting to the director estimates of
29 their expenditure requirements pursuant to section 8.23, ~~except~~
30 ~~the estimates of expenditure requirements shall be based~~
31 ~~upon one hundred percent of funding for the current fiscal~~
32 ~~year accounted for by program, and using the same line item~~
33 ~~definitions of expenditures as used for the current fiscal~~
34 ~~year's budget request, and the remainder of the estimate of~~
35 ~~expenditure requirements prioritized by program~~ by utilizing

1 a zero-base approach of providing sufficient supporting
2 data and explanations to justify each expenditure as though
3 it were a new expenditure. The estimates shall include a
4 prioritization of each expenditure in relation to the other
5 expenditures submitted. The supreme court shall also make
6 use of the department of management's automated budget system
7 when submitting information to the director of the department
8 of management to assist the director in the transmittal of
9 information as required under section 8.35A. The supreme court
10 shall budget and track expenditures by the following separate
11 organization codes:

12 EXPLANATION

13 The inclusion of this explanation does not constitute agreement with
14 the explanation's substance by the members of the general assembly.

15 This bill requires the budget submissions of executive
16 branch departments and the judicial branch to utilize a
17 zero-base approach.

18 Currently, under Code section 8.23, the executive branch
19 departments' estimates of expenditure requirements are based
20 upon 75 percent of the funding provided for the current fiscal
21 year as adjusted by the historical employee vacancy factor.
22 The remaining expenditure requirements are prioritized by
23 program. Under the bill's zero-base approach, the expenditure
24 requirements must provide sufficient supporting data and
25 explanations to justify each expenditure as though it were a
26 new expenditure. The estimates are also required to include
27 a prioritization of each expenditure in relation to the other
28 expenditures transmitted.

29 Currently, under Code section 602.1301, unlike the
30 requirement of the executive branch, the supreme court must
31 submit an annual operating budget for the judicial branch
32 that is based upon 100 percent of the funding provided for
33 the previous fiscal year. As with the executive branch
34 departments, the bill replaces the 100 percent requirement with
35 a zero-base approach requiring data and explanations for each

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1 expenditure and a prioritization of the expenditures.